

to the provision of assistance by a foreign financial institution for those efforts, activities, or transactions, including, but not limited to, the provision of currency, financial instruments, securities, or any other transmission of value; purchasing; selling; transporting; swapping; brokering; financing; approving; guaranteeing; or the provision of other services of any kind; or the provision of personnel; or the provision of software, technology, or goods of any kind.

**§ 561.404 Significant transaction or transactions; significant financial services.**

In determining, for purposes of paragraph (a)(5) of § 561.201, whether a transaction is significant, whether transactions are significant, or whether financial services are significant, the Secretary of the Treasury may consider the totality of the facts and circumstances. As a general matter, the Secretary may consider some or all of the following factors:

(a) *Size, number, and frequency.* The size, number, and frequency of transactions or financial services performed over a period of time, including whether the transactions or financial services are increasing or decreasing over time and the rate of increase or decrease.

(b) *Nature.* The nature of the transaction(s) or financial services, including the type, complexity, and commercial purpose of the transaction(s) or financial services.

(c) *Level of awareness; pattern of conduct.* (1) Whether the transaction(s) or financial service(s) are performed with the involvement or approval of management or only by clerical personnel; and

(2) Whether the transaction(s) or financial services are part of a pattern of conduct or the result of a business development strategy.

(d) *Nexus.* The proximity between the party to the transaction or transactions or the provider of the financial services and a blocked person described in paragraph (a)(5)(i) or (ii) of § 561.201. For example, a transaction or financial service in which a foreign financial institution provides brokerage or clearing services to such a blocked person in

a direct customer relationship generally would be of greater significance than a transaction or financial service a foreign financial institution provides to such a blocked person in an indirect or tertiary relationship.

(e) *Impact.* The impact of the transaction(s) or financial services on the objectives of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010, including:

(1) The economic or other benefit conferred or attempted to be conferred on a blocked person described in paragraph (a)(5)(i) or (ii) of § 561.201;

(2) Whether and how the transaction(s) or financial services contribute to the proliferation of weapons of mass destruction or delivery systems for such weapons, to support for international terrorism, or to the suppression of human rights; and

(3) Whether the transaction(s) or financial services support humanitarian activity or involve the payment of basic expenses as specified in and authorized pursuant to UNSC Resolution 1737 or the payment of extraordinary expenses that have been authorized by the Sanctions Committee established pursuant to UNSC Resolution 1737.

(f) *Deceptive practices.* Whether the transaction(s) or financial services involve an attempt to obscure or conceal the actual parties or true nature of the transaction(s) or financial service(s).

(g) *Other Relevant factors.* Such other factors that the Secretary deems relevant on a case-by-case basis in determining the significance of a transaction, transactions, or financial services.

**§ 561.405 Entities owned by a person whose property and interests in property are blocked.**

A person whose property and interests in property are blocked pursuant to the International Emergency Economic Powers Act (50 U.S.C. 1701 *et seq.*) (“IEEPA”) has an interest in all property and interests in property of an entity in which it owns, directly or indirectly, a 50 percent or greater interest. The property and interests in property of such an entity, therefore, are blocked, and such an entity is a person whose property and interests in property are blocked pursuant to